

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

UNITED STATES OF AMERICA

v.

PINGHUA LEI
a/k/a Neil Lei

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SEALED

Case No. 4:19CR 280
Judge *Mazzant*

INDICTMENT

THE UNITED STATES GRAND JURY CHARGES:

At all times relevant to this Indictment:

FILED

NOV 13 2019

Clerk, U.S. District Court
Texas Eastern

Defendant and Entities

1. Defendant **Pinghua Lei**, a/k/a Neil Lei, a citizen of China and a U.S.

Permanent Resident Alien, was employed as a food research specialist by the Natural Polymer International Corporation (NPIC) at a NPIC production facility in Plano, Texas.

2. Natural Polymer International Corporation (NPIC), a corporation organized and operating in the United States and the Eastern District of Texas, was a domestic and international business engaged in the research, development, manufacturing and production of natural treat products for pets.

Count One

Violation: 18 U.S.C. §§ 1832(a)(2) and 2
(Theft of Trade Secrets and Aiding and
Abetting)

3. On or about September 25, 2017, in the Eastern District of Texas, and elsewhere, **Pinghua Lei**, a/k/a Neil Lei, the defendant, with intent to convert a trade secret, that is related to a product or service used in and intended for use in interstate and foreign commerce, to the economic benefit of anyone other than the owner thereof, and intending and knowing that the offense would injure NPIC, did knowingly and without authorization copy, duplicate, download, upload, alter, replicate, transmit, deliver, send, mail, communicate and convey NPIC proprietary trade secrets, to wit: technical specifications, scientific, economic, and engineering information, including plans, compilations, program devices, formulas, designs, methods, techniques, processes, procedures, programs, and codes, tangible and intangible, regarding the production of a product known as Twistix Milk & Cheese Dental Chew Sticks.

In violation of 18 U.S.C. §§ 1832(a)(2) and 2.

Count Two

Violation: 18 U.S.C. §§ 1832(a)(3) and 2
(Possession of Trade Secrets and Aiding and Abetting)

4. From on or about September 25, 2017, through on or about April 11, 2018, in the Eastern District of Texas, and elsewhere, **Pinghua Lei**, a/k/a Neil Lei, the defendant, with intent to convert a trade secret, that is related to or included in a product or service used in and intended for use in interstate and foreign commerce, to the

economic benefit of anyone other than the owner thereof, and intending and knowing that the offense would injure NPIC, did knowingly and without authorization possess certain NPIC proprietary trade secrets knowing the same to have been stolen or appropriated, obtained, and converted without authorization, to wit, specific technical specifications, scientific, economic, and engineering information, including plans, compilations, program devices, formulas, designs, methods, techniques, processes, procedures, programs, and codes, tangible and intangible, regarding the production of a product known as Twistix Milk & Cheese Dental Chew Sticks.

In violation of 18 U.S.C. §§ 1832(a)(3) and 2.

NOTICE OF INTENT TO SEEK CRIMINAL FORFEITURE
(Pursuant to 18 U.S.C. §§ 1834 and 2323)

As a result of the commission of the foregoing offense, the defendant shall forfeit to the United States, pursuant to 18 U.S.C. §§ 1834 and 2323, any and all property or constituting or derived from proceeds the defendant obtained directly or indirectly as a result of the foregoing offense.

Substitute assets

If any property subject to forfeiture as a result of any act or omission by the defendants (i) cannot be located upon the exercise of due diligence, (ii) has been transferred or sold to, or deposited with a third party, (iii) has been placed beyond the jurisdiction of the court, (iv) has been substantially diminished in value, or (v) has been commingled with other property which cannot be subdivided without difficulty, the

defendant shall forfeit to the United States any other property of the defendant up to the value of the forfeitable property.

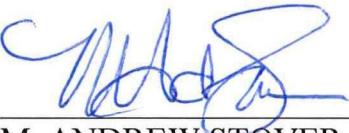
All pursuant to 18 U.S.C. §§ 1834 and 2323.

A TRUE BILL



GRAND JURY FOREPERSON

JOSEPH D. BROWN
UNITED STATES ATTORNEY



M. ANDREW STOVER
Assistant United States Attorney

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NOTICE OF PENALTIES

Count One

Violation: 18 U.S.C. §§ 1832(a)(2) and 2

Penalty: Imprisonment for a term of not more than 10 years, a fine not to exceed \$250,000, or both; supervised release for a term of not more than 3 years.

Special Assessment: \$100.00

Count Two

Violation: 18 U.S.C. §§ 1832(a)(3) and 2

Penalty: Imprisonment for a term of not more than 10 years, a fine not to exceed \$250,000, or both; supervised release for a term of not more than 3 years.

Special Assessment: \$100.00